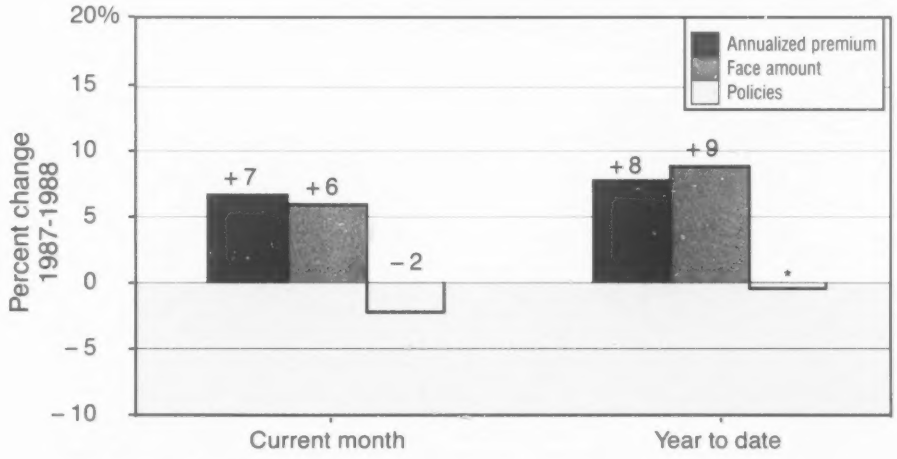
A0225-2
I/R Code 47.40
September 1988

MONTHLY SURVEY OF LIFE INSURANCE SALES IN CANADA

Individual Sales

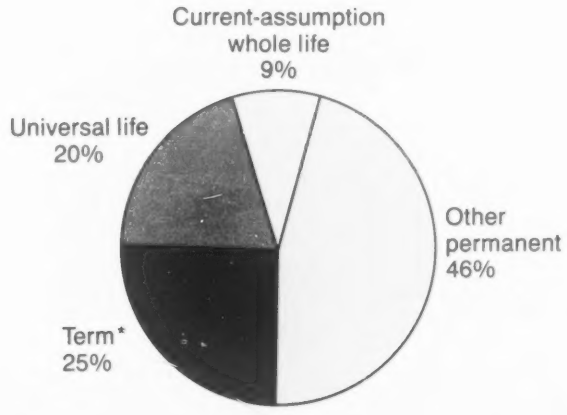
37 Companies



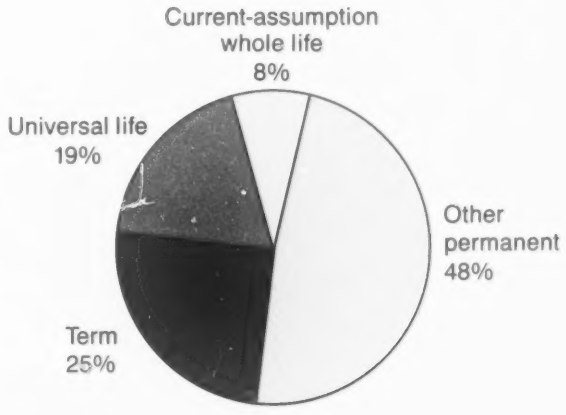
*less than ½ of – 1 percent

Annualized Premium Market Share by Product

26 Companies Representing 80 Percent of September Sales



Current month



Year to date

*For the 14 companies that sell the product and supply data, "permanent term" ("term to 100") makes up 17 percent of total September 1988 sales.

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Individual Sales (cont.)

Sales Comparisons with Last Year

Ratio 1988/1987

		Annualized premiums	Face amount	Number of policies
Term (22 cos.)	Month	117%	110%	106%
	Year to date	117%	119%	114%
Universal life (19 cos.)	Month	140%	141%	131%
	Year to date	146%	151%	136%
Current-assumption whole life (11 cos.)	Month	82%	79%	81%
	Year to date	83%	78%	84%
All other permanent (21 cos.)	Month	88%	87%	82%
	Year to date	96%	96%	91%

Policy Characteristics by Product

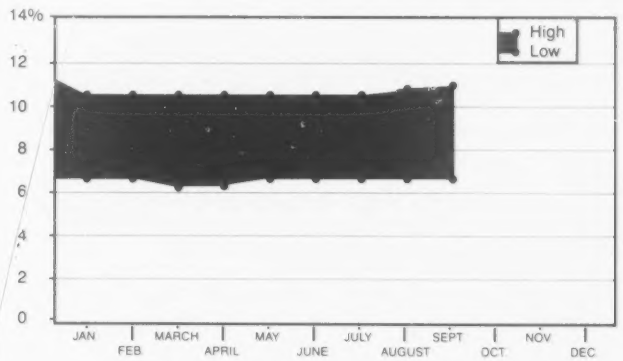
		Premium per $1,000	Average size policy	Premium per policy
Term (22 cos.)	Month	$ 3.69	$152,590	$563
	Year to date	$ 3.55	$152,352	$540
	Year-to-date ratio	99%	104%	102%
Universal life (19 cos.)	Month	$ 8.55	$ 85,725	$733
	Year to date	$ 8.70	$ 88,196	$767
	Year-to-date ratio	97%	111%	108%
Current-assumption whole life (11 cos.)	Month	$ 6.12	$ 54,809	$335
	Year to date	$ 6.55	$ 55,128	$361
	Year-to-date ratio	106%	94%	100%
All other permanent (21 cos.)	Month	$10.79	$ 50,307	$543
	Year to date	$10.78	$ 50,249	$541
	Year-to-date ratio	100%	105%	105%
Total sales (37 cos.)	Month	$ 6.83	$ 80,801	$552
	Year to date	$ 6.75	$ 83,103	$561
	Year-to-date ratio	99%	109%	108%

Universal Life

Interest Rates This Month

Median	9.5%
Range	6.5%–11.0%
Range of middle 50%	9.0%–10.0%
Number of cos. reporting rates	15
Number of plans reported	35
Number of new plans	0
Number of plans dropped	0
Number of plans showing . . .	
No change	14
Increases	21
Average increase	0.6%
Decreases	0
Average decrease	–

1988 Interest Rate Range



Individual Sales (cont.)

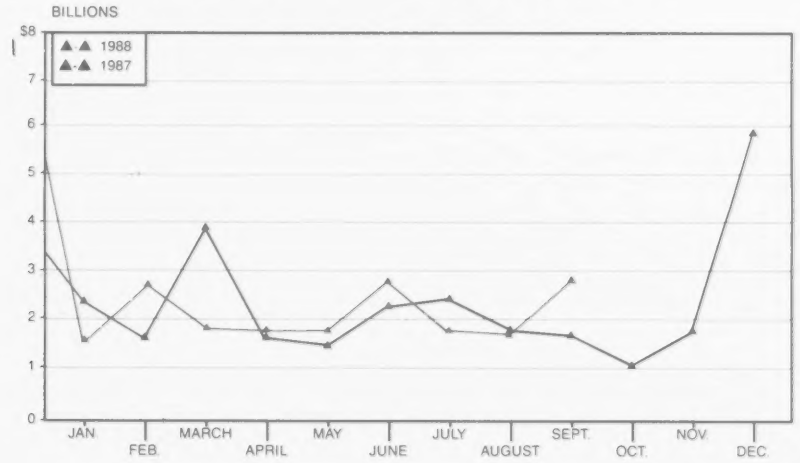
Contributors' Growth Rates

Change in Annualized Premium
Year to Date

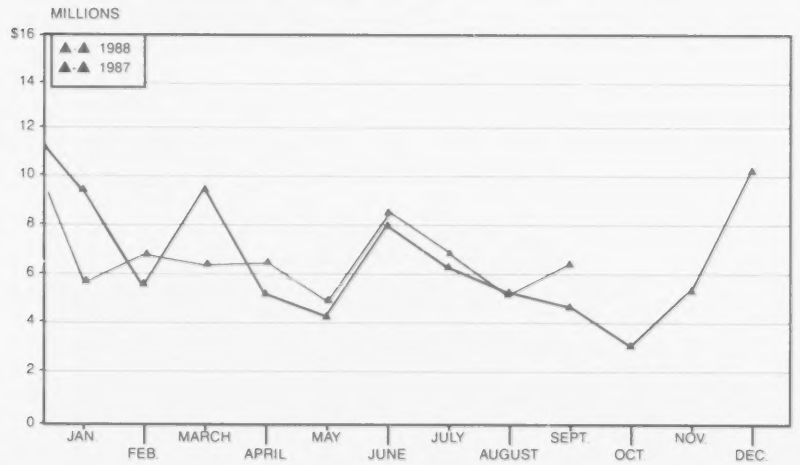
Percent change 1987–1988	Number of . . . Group I cos.	Group II cos.	Group III cos.	All cos.
21% or over	3	3	8	14
11% – 20%	0	3	2	5
1% – 10%	2	1	2	5
– 9% – 0	4	5	0	9
– 19% – – 10%	1	1	0	2
– 20% or under	0	1	1	2

Group Sales

Face Amount – 16 Companies



Annualized Premium – 13 Companies



September Sales

		Annualized premium (000)		Face amount (000)		Number of policies	
		1987	1988	1987	1988	1987	1988
Total ordinary life	Month	$ 44,380	$ 47,490	$ 6,584,934	$ 6,954,256	87,764	86,066
	Year to date	$370,554	$398,671	$54,363,482	$59,064,608	713,935	710,742
Ordinary — Group I	Month	$ 27,422	$ 29,042	$ 3,714,806	$ 3,923,328	55,550	54,754
	Year to date	$221,447	$231,204	$29,503,048	$31,071,715	435,705	417,290
Ordinary — Group II	Month	$ 13,054	$ 13,794	$ 2,216,968	$ 2,192,317	24,078	22,813
	Year to date	$117,012	$127,037	$19,245,736	$20,706,332	211,310	214,769
Ordinary — Group III	Month	$ 3,904	$ 4,654	$ 653,160	$ 838,611	8,136	8,499
	Year to date	$ 32,095	$ 40,430	$ 5,614,698	$ 7,286,561	66,920	78,683
Group life	Month	$ 4,540	$ 6,309	$ 1,743,549	$ 2,855,820	—	—
	Year to date	$ 57,017	$ 55,331	$19,259,565	$19,461,720	—	—

About the Survey

This survey gives ordinary sales results of a group of companies that report three measures of sales performance—annualized premiums, face amount (volume), and number of policies. From these data, premium per $1,000, average size policy, and premium per policy, as well as trends in those statistics, are derived. Sales results by product are also shown for a subset of the contributing companies.

The definition of new sales excludes revivals, indexed increases, dividend additions, reinsurance acquired, credit insurance (coverage of obligations not exceeding 120 months' duration), and products without insurance (such as annuities and Canadian pension bonds). The data include mass-marketed ordinary business.

The ordinary results are based on the experience of 37 companies plus six subsidiary companies operating in Canada. The contributors represent 81 percent of the 1986 Canadian ordinary volume sold and 85 percent of first-year premiums written. The business of these contributors may not represent the industry proportions of participating and nonparticipating policies and of term and permanent insurance sold; therefore, statistics (such as premium per $1,000) derived from the experience of the contributors may not represent the experience of the industry as a whole.

The survey also provides group sales volume and annualized premiums under new or amended contracts. These results are based on the experience of 16 companies operating in Canada. The contributors represent 64 percent of the 1986 Canadian volume of new or amended group contracts.

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Contributors

GROUP I

Canada Life*
Great-West Life*†
Industrial-Alliance Life*†
(includes North West Life of Canada)
London Life*†
Manufacturers Life†
Metropolitan Life*†
(includes Metropolitan Life of Canada)
Mutual Life of Canada*†
North American Life (Canada)
Prudential of America*†
Sun Life of Canada*†

GROUP II

Ætna Canada (Excelsior Life)†
Commercial Union Life of Canada
Confederation Life*
Co-operators Life
Crown Life†
Imperial Life of Canada
La Laurentienne†
Maritime Life (Canada)†
National Life of Canada*
New York Life*†
(includes New York Life of Canada)
Prudential of England*†
(includes Prudential Life of England)
Seaboard Life†
Transamenca Occidental Life†
(includes Transamerica Life of Canada)
Zurich Life of Canada†

GROUP III

Allstate Life of Canada†
Assumption Mutual Life
Assurance-Vie Desjardins*
COLONIA Life†
Equitable Life of Canada
Financial Life of Canada†
Knights of Columbus†
Laurier Life†
Royal Life (Canada)†
(includes Royal Life of Canada)
La Sauvegarde*†
La Solidarite
State Farm Life†
L'Union-Vie†

The groupings of companies and departments are maintained for five-year periods to allow examination of trends; currently they are based on the sum of first-year and renewal direct-written ordinary life premium income as of December 31, 1986.

*Company contributes both ordinary and group data
†Company is included in product market share chart
Companies contributing group data only: Ætena-Vie and Laurentian/Imperial

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September 1988

SUPPLEMENT TO MONTHLY SURVEY OF **LIFE INSURANCE SALES IN CANADA**

Notes on the September Survey

- Company corrections are incorporated on a monthly basis to provide contributors with the most up-to-date information. Tables showing revised data for previous months are published quarterly (see below).
- This supplement includes enhancement policy sales for the seven contributors able to report both the base plan and enhancement portion. Enhancements are included in the "all other permanent" category in the report and are reported separately on a quarterly basis.

Canadian Ordinary Sales for 37 companies

Revised through September 1988

	Annualized premium (000)			Face amount (000)			Number of policies		
	1987	1988	Ratio 88/87	1987	1988	Ratio 88/87	1987	1988	Ratio 88/87
January	$ 31,514	$ 35,862	114%	$ 4,506,529	$ 5,289,443	117%	58,802	63,137	107%
February	39,983	44,184	111	5,735,706	6,455,622	113	79,855	80,534	101
March	44,396	49,337	111	6,441,782	7,321,139	114	85,074	89,831	106
April	41,544	42,765	103	6,173,487	6,452,562	105	81,997	78,660	96
May	41,909	45,707	109	6,203,565	6,973,242	112	82,099	85,243	104
June	49,254	51,297	104	7,201,763	7,653,230	106	94,161	89,781	95
July	42,242	42,810	101	6,233,089	6,197,847	99	77,477	70,912	92
August	35,332	39,219	111	5,282,627	5,767,267	109	66,706	66,578	100
September	44,380	47,490	107	6,584,934	6,954,256	106	87,764	86,066	98
October	46,959			6,725,877			88,578		
November	52,801			7,568,862			96,187		
December	51,891			7,335,225			86,161		
Year total	$522,205			$75,993,446			984,861		
Year to date	$370,554	$398,671	108%	$54,363,482	$59,064,608	109%	713,935	710,742	100%

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Canadian Group Sales

Revised through September 1988

	Annualized premium (000) (13 companies)			Face amount (000) (16 companies)		
	1987	1988	Ratio 88/87	1987	1988	Ratio 88/87
January	$ 9,268	$ 5,542	60%	$ 2,345,651	$ 1,627,909	69%
February	5,416	6,660	123	1,627,699	2,774,156	170
March	9,295	6,315	68	3,865,359	1,999,288	52
April	5,196	6,343	122	1,654,352	1,886,628	114
May	4,119	4,865	118	1,421,436	1,984,705	140
June	7,788	8,151	105	2,286,575	2,837,906	124
July	6,158	6,530	106	2,383,940	1,958,620	82
August	5,237	4,616	88	1,931,004	1,536,688	80
September	4,540	6,309	139	1,743,549	2,855,820	164
October	3,022			1,041,203		
November	5,254			1,883,882		
December	10,036			5,879,426		
Year total	$75,329			$28,064,076		
Year to date	$57,017	$55,331	97%	$19,259,565	$19,461,720	101%

Monthly Product Allocations
(Based on 26 Product Market Share Contributors for 1988)

	Universal life		Current-assumption whole life		Term		Other permanent	
	1987	1988	1987	1988	1987	1988	1987	1988
January	11%	16%	10%	9%	22%	23%	57%	52%
February	12	17	10	9	21	23	57	51
March	12	18	11	8	19	23	58	51
April	14	18	11	8	21	26	54	48
May	11	19	10	9	21	25	58	47
June	13	20	9	8	20	24	58	48
July	12	18	9	7	21	26	58	49
August	15	23	10	8	23	28	52	41
September	14	20	10	9	21	25	55	46
October	15		9		21		55	
November	14		9		22		55	
December	18		7		23		52	
Year total (26 companies)	14%		9%		21%		56%	

Canadian Enhancement Sales for 7 Companies

	Annualized premium (000)			Face amount (000)			Number of policies		
	1987	1988	Ratio 88/87	1987	1988	Ratio 88/87	1987	1988	Ratio 88/87
First quarter	$15,318	$14,656	96%	$2,073,312	$2,008,066	97%	27,509	25,355	92%
Second quarter	17,059	16,650	98	2,336,151	2,260,338	97	30,603	29,243	96
Third quarter	14,417	15,138	105	2,018,680	1,965,518	97	24,438	23,629	97
Fourth quarter	18,450			2,490,433			30,937		
Year total	$65,244			$8,918,576			113,487		
Year to date	$46,794	$46,444	99%	$6,428,143	$6,233,922	97%	82,550	78,227	95%

	Premium per $1,000			Average size policy			Premium per policy		
	1987	1988	Ratio 88/87	1987	1988	Ratio 88/87	1987	1988	Ratio 88/87
First quarter	$7.39	$7.30	99%	$75,368	$79,198	105%	$557	$578	104%
Second quarter	7.30	7.37	101	76,337	77,295	101	557	569	102
Third quarter	7.14	7.70	108	82,604	83,182	101	590	641	109
Fourth quarter	7.41			80,500			596		
Year total	$7.32			$78,587			$575		
Year to date	$7.28	$7.45	102%	$77,870	$79,690	102%	$567	$594	105%

Enhancement Market Share of 7 Companies

Annualized premium (000)		Face amount (000)		Number of policies	
Total 1987	Jan.–Sept. 1988	Total 1987	Jan.–Sept. 1988	Total 1987	Jan.–Sept. 1988
34%	33%	32%	31%	29%	29%

Contributing Companies

Equitable Life of Canada
Great-West Life
Industrial-Alliance Life
(includes North West Life of Canada)
London Life
Manufacturers Life
Prudential of England
(includes Prudential Life of England)
Sun Life of Canada